

## Message Text

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ORIGIN XMB-07

INFO OCT-01 ARA-16 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 DODE-00 PA-04 USIA-15

PRS-01 /113 R

66651

DRAFTED BY: AMOHANIAN/RLS

EB/OCA/REP:LHPOMEROY

WARREN W. GLICK, ACTING EXECUTIVE VICE PRESIDENT

EB/IFD/ODF-EMLINTON

----- 088090

R 132132Z MAR 74

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SALVADOR

UNCLAS STATE 050399

E.O. 11652: N/A

TAGS: APUB, BR

SUBJECT: PRESS RELEASE ON EXIMBANK LOAN TO BRAZIL

FOLLOWING IS FINAL TEXT OF EXPORT-IMPORT BANK RELEASE ON THE  
DIRECT CREDIT OF DOLS 5,145,000 TO DOW QUIMICA DO NORDESTE S.A.  
OF SALVADOR. RELEASE IS SCHEDULED FOR ANNOUNCEMENT HERE IN  
WASHINGTON, D.C. FOR A.M. PAPERS,  
WEDNESDAY, MARCH 27, 1974.

QUOTE: EXIMBANK SUPPORTS DOLS 10.3 MILLION SALE OF U.S.

EQUIPMENT FOR PETROCHEMICAL COMPLEX IN BRAZIL

TO HELP FINANCE A DOLS 10,290,000 SALE OF U.S. GOODS AND SERVICES

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REQUIRED FOR THE CONSTRUCTION OF AN INTEGRATED PETROCHEMICAL

COMPLEX IN BRAZIL, THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES HAS AUTHORIZED A DIRECT CREDIT OF DOLS 5,145,000 IN FAVOR OF DOW QUIMICA DO NORDESTE S.A. OF SALVADOR, BRAZIL, TO FINANCE 50 PERCENT OF THE TOTAL U.S. COSTS ACCORDING TO EXIMBANK'S VICE CHAIRMAN, WALTER C. SAUER. THE FIRST NATIONAL CITY BANK, NEW YORK, WILL ALSO PROVIDE FINANCING OF DOLS 5,145,000 TO COVER ANOTHER 50 PERCENT OF THE TOTAL U.S. COSTS. OF THIS DOLS 5,145,000 ONE HALF, OR DOLS 2,572,500,

WILL COME FROM PRIVATE U.S. SOURCES AND WILL BE COVERED BY EXIMBANK'S FINANCIAL GUARANTEE.

THE PROJECT IS FOR THE CONSTRUCTION OF A NEW PLANT AT ARATU, NEAR SALVADOR, BAHIA, BRAZIL, TO PRODUCE PROPYLENE OXIDE, PROPYLENE GLYCOL, AND CHLORINATED SOLVENTS. CONSTRUCTION OF THE PETROCHEMICAL COMPLEX WILL BE UNDER THE GUIDANCE OF THE DOW CHEMICAL COMPANY, USA, AND WILL INVOLVE A LARGE NUMBER OF U.S. SUPPLIERS.

THE LOANS ARE TO BE REPAID IN 16 SEMIANNUAL INSTALLMENTS BEGINNING NOVEMBER 10, 1976, WITH EXIMBANK'S DIRECT LOAN OF DOLS 5,145,000 TO BE REPAID OUT OF THE LAST 8 INSTALLMENTS WITH INTEREST AT AN ANNUAL RATE OF 6 PERCENT ON OUTSTANDING BALANCES. UNQUOTE KISSINGER

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## Message Attributes

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**TAGS:** APUB, BR  
**To:** BRASILIA  
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